

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2623-01
Bill No.: SB 802
Subject: Crimes and Punishment; Department of Revenue; Taxation and Revenue –
Property
Type: Original
Date: January 15, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue Fund	Less than (\$100,000)	Less than (\$100,000)	Less than (\$100,000)
Total Estimated Net Effect on <u>All</u> State Funds	Less than (\$100,000)	Less than (\$100,000)	Less than (\$100,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** assume the proposed legislation would have no fiscal impact on their agency.

Officials from the **Office of Prosecution Services** assume the proposed legislation would have no fiscal impact on prosecutors.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Office of State Public Defender** assume existing staff could provide representation for those 15-20 cases arising where indigent persons were charged with the fraudulent use of a credit or debit device to pay for property taxes. Last FY, the State Public Defender System provided representation in 223 fraudulent use of credit/debit device cases. However, passage of more than one bill increasing penalties on existing crimes or creating new crimes would require the State Public Defender System to request increased appropriations to cover the cumulative cost of representing indigent persons accused in the now more serious cases or in the new additional cases.

Officials from the **Department of Corrections (DOC)** assume they cannot predict the number of new commitments which may result from the creation of the offenses outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court. Twelve offenders were referred to DOC in FY 01 for Fraudulent Use of a Credit/Debit Device. Of these twelve, three were admissions to Adult Institutions and nine were Probation and Parole openings. The nine Probation and Parole openings were comprised of one class A misdemeanor and eight class D felonies.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY 01 average of \$35.78 per inmate per day, or an annual cost of \$13,060 per inmate) or through supervision provided by the Board of Probation and Parole (FY 01 average of \$3.34 per offender per day, or an annual cost of \$1,219 per offender).

At this time, the DOC is unable to determine the number of additional inmate beds that may be required as a consequence of passage of this proposal. Estimated construction cost for one new medium to maximum security inmate bed is \$55,000. Utilizing this per-bed cost provides for a conservative estimate by the DOC, as facility start-up costs are not included and entire facilities and/or housing units would have to be constructed to cover the cost of housing new

commitments resulting from the cumulative effect of various new legislation, if adopted as
ASSUMPTION (continued)

statute.

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Eight persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of the enhancement to this crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Costs – Department of Corrections</u> Incarceration/Probation costs	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

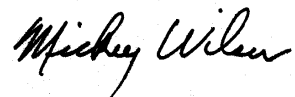
The proposed legislation would criminalize fraudulent use of a credit or debit device for purposes of obtaining a paid property tax receipt to get vehicle license tags. The crime would be a Class D felony if the value of the property taxes is \$150 or more, otherwise the crime would be a Class A misdemeanor.

This legislation is not federally mandated, would not duplicate any other program and would not

require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Prosecution Services
Office of State Courts Administrator
Department of Revenue
Office of State Public Defender
Department of Corrections

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Acting Director

January 15, 2002